

Written by Rob Brant
Thursday, 04 March 2010 15:38

Washington, D.C. - For me, the most impressive part of AAHomecare's Legislative Conference is the open forums they schedule with senior Washington staff and top Medicare officials. This year was no exception as CMS Director Jonathan Blum faced a skeptical crowd, during the "Inside the CMS Luncheon" at the Capital Hilton.

Blum put on his best face as he addressed the group of more than 200 HME providers, manufacturers and industry stakeholders. But unfortunately he must have forgotten who his audience was, as he delivered a speech that was tailor made for Congress.

He opened the luncheon by explaining that all of the problem of the 2008 Round One bid have been fixed and that the program will save the government and beneficiaries dollars while ensuring multiple bid winners and quality products. Blum explained that CMS worked tirelessly to improve the online data system, that they had increased staff, improved the process and that all bids will be carefully scrutinized before suppliers are offered contracts.

During the Question and Answer session, Blum was prepared for a tough afternoon. But what could have turned into an episode of Jerry Springer played out more like a comedy sketch from Saturday Night Live.

I was fortunate to ask one of the first questions, which related to the claim that DMEPOS Competitive Bidding was an anti-fraud measure.

Several months ago, Blum's boss, Bill Corr, the Deputy Secretary of Health and Human Services, testified at a Senate Committee about healthcare fraud. During the testimony he said that mandatory accreditation and surety bonds were curbing fraud in DMEPOS but that fraud would be curbed even more when competitive bidding was implemented.

I reminded Blum of Corr's testimony, thanked him for implementing real anti-fraud measures, the mandatory accreditation and surety bond, which eliminated half of the oxygen providers in Miami. I then asked a question that no one else ever answered: "How is DMEPOS competitive bidding an anti-fraud measure?"

Written by Rob Brant
Thursday, 04 March 2010 15:38

Blum explained that by lowering reimbursement prices, it would be less attractive for charlatans to commit fraud. As the audience signed and giggled, I confirmed his response and asked: "So the theory is, by lowering the reimbursement 25%, criminals will not commit fraud because it is not worth the effort?"

Blum answered, "That is correct"

Cost of the program

I am sure by that point, Mr. Blum did not want to take any more questions from me, but I managed to squeeze one more in. I asked, "What is the annual cost to run this program?"

To that, Blum answered: "I don't have those numbers"

His responses may have seemed comical to the group of Home Medical Equipment advocates in the room, but it provided disbelief and dismay to the legislators and staff we visited on Capital Hill. Later that evening, HME providers told me that they repeated the story to their legislators and added a new wrinkle to their presentation for HR0in

"The bill will give Medicare the same projected savings without needlessly closing businesses and limiting a patient's access to care, while additionally saving the government hundreds of millions in administrative costs when the program is expanded nationwide."